

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

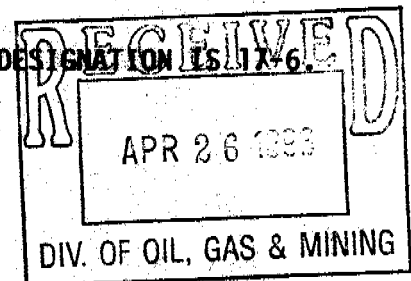
1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. U-54200
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Lone Mountain Production Company			7. UNIT AGREEMENT NAME Marble Mansion II
3. ADDRESS OF OPERATOR P. O. Box 3394, Billings, MT 59103			8. FARM OR LEASE NAME Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1500' FWL, 2300' FNL, Section 17-T11S-R23E At proposed prod. zone 450' 70' Same			9. WELL NO. 17-6
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 79 miles from Vernal, Utah			10. FIELD AND POOL, OR WILDCAT Marble Mansion
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 3780'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 17-T11S-R23E
16. NO. OF ACRES IN LEASE 640.00			12. COUNTY OR PARISH Uintah
17. NO. OF ACRES ASSIGNED TO THIS WELL 160			13. STATE Utah
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A			14. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6005' GL, 6015' KB			22. APPROX. DATE WORK WILL START* June 15, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	40#	40'	50 sacks Redi-Mix
12 1/4"	8 5/8"	24#	300'	210 sacks Class 'G' + 3% CaCl
8 3/4"	5 1/2"	15.50#	6450'	300 sacks Class 'G' + 16% gel, 3% salt
				790 sacks Class 'G' + 3% KCl

Well will be drilled with clear water to 2500'. At that point, system will be mudded up with Gel/Polymer (PHPA) to a minimum of 10.0 ppg

NOTE: SURVEY PLAT INDICATES THIS WELL AS THE 17-8. CORRECT DESIGNATION IS 17-6.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Petroleum Engineer DATE 4-23-96

(This space for Federal or State office use)

PERMIT NO. 43-047-32752 APPROVAL DATE 7/22/96
APPROVED BY [Signature] TITLE Petroleum Engineer DATE 7/22/96
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

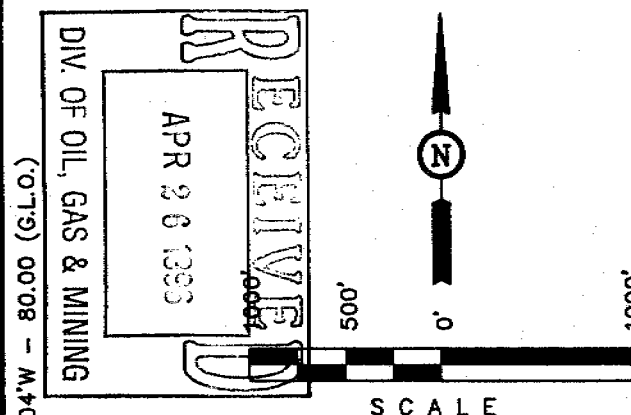
T11S, R23E, S.L.B.&M.

LONE MTN. PRODUCTION

Well Location, FEDERAL #17-8, located as shown in the SE 1/4 NW 1/4 of Section 17, T11S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TRIANGULATION STATION JEK 19 (1966) LOCATED AS SHOWN IN THE SW 1/4 OF SECTION 8, T11S, R23E, S.L.B.&M. TAKEN FROM THE ARCHY BENCH SE QUADRANGLE, UTAH - UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS STAMPED AS BEING 6054 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

By: **No. 161319**
ROBERT L. KAY
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

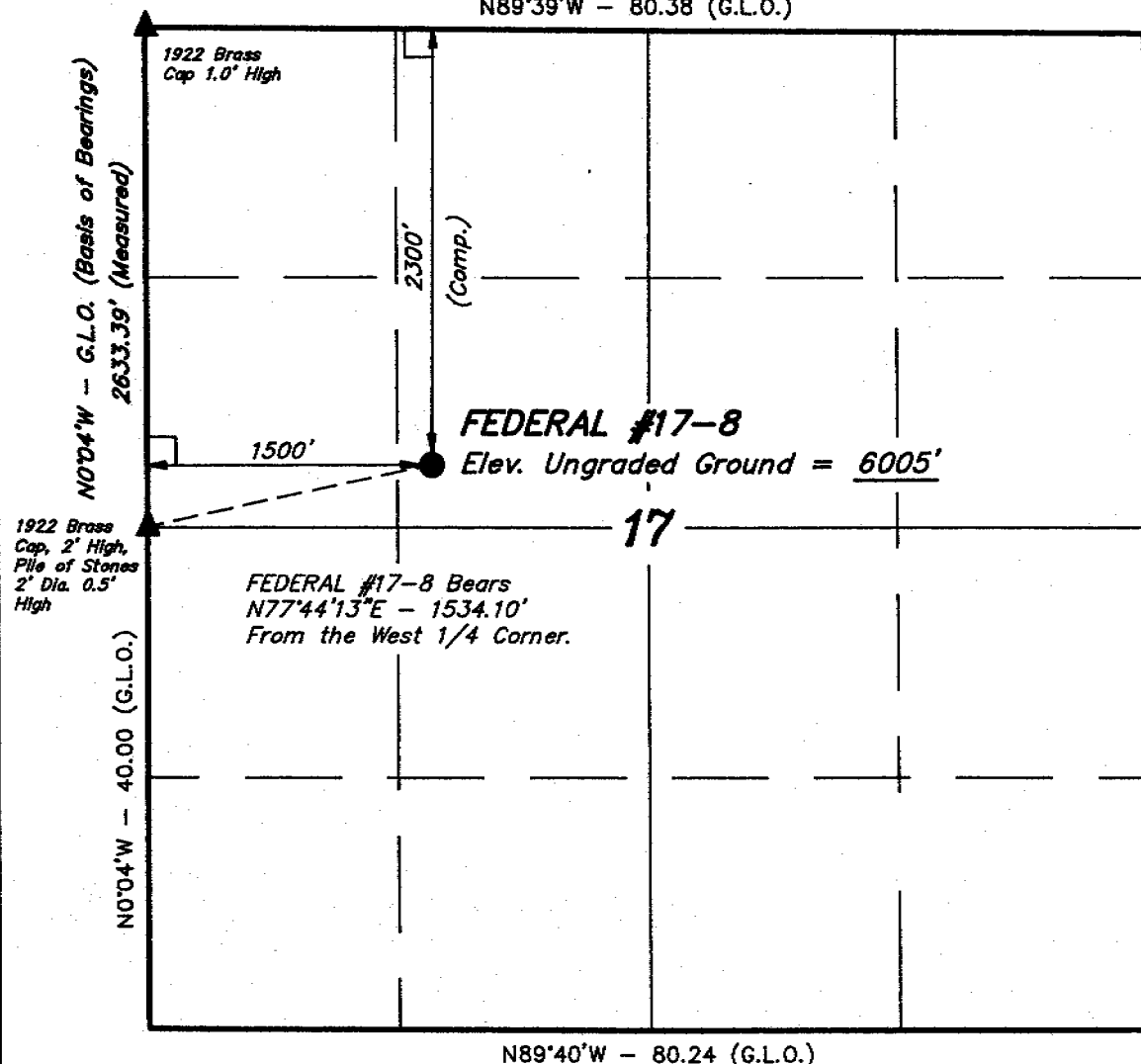
UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 4-3-96	DATE DRAWN: 4-4-96
PARTY L.D.T. M.R. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE LONE MTN. PROD.	

N89°39'W - 80.38 (G.L.O.)



FEDERAL #17-8
 Elev. Ungraded Ground = 6005'

FEDERAL #17-8 Bears
 N77°44'13"E - 1534.10'
 From the West 1/4 Corner.

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED. (Brass Caps)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P. O. Box 3394, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1500' FWL, 2300' FNL, Section 17-T11S-R23E

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 79 miles from Vernal, Utah

16. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

3780'

18. NO. OF ACRES IN LEASE

640.00

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

6450'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6005' GL, 6015' KB

22. APPROX. DATE WORK WILL START*

June 15, 1996

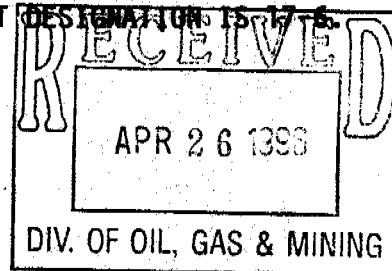
23.

PROPOSED CASING AND CEMENTING PROGRAM

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mudded up with Gel/Polymer (PHPA) to a minimum of 10.0 ppg

NOTE: SURVEY PLAT INDICATES THIS WELL AS THE 17-8. CORRECT DESIGNATION IS 17-5.



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24.

SIGNED

TITLE Petroleum Engineer

DATE 4-23-96

(This space for Federal or State office use)

PERMIT NO.

43-047-32752

APPROVAL DATE

APPROVED BY

JAN [Signature]

TITLE

Engineer

DATE

7/22/96

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

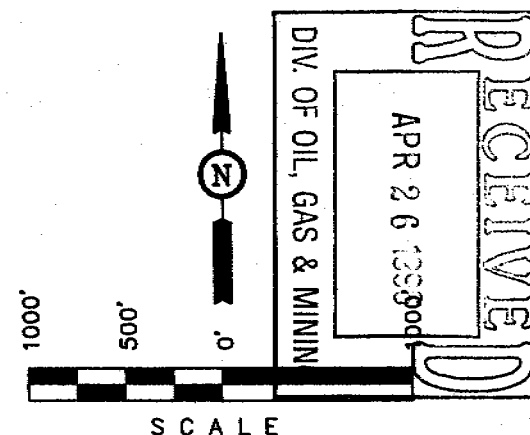
T11S, R23E, S.L.B.&M.

LONE MTN. PRODUCTION

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BASIS OF ELEVATION

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Surveyor's Seal: No. 161319, Robert L. Kay, Registered Land Surveyor, Registration No. 161319, State of Utah.

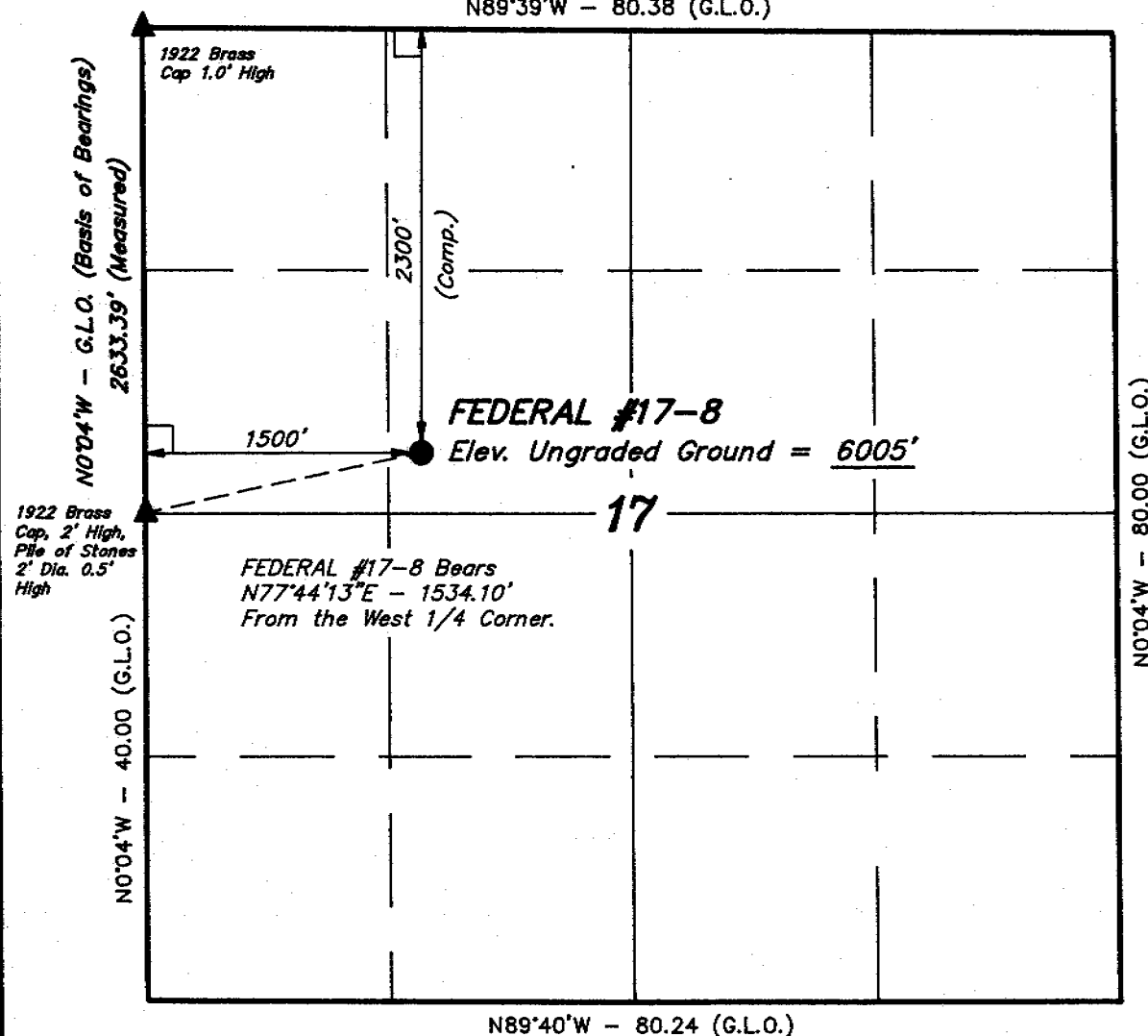
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85 SOUTH 200 EAST - VERNAL, UTAH 84078

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WEATHER COOL	FILE LONE MTN. PROD.	

N89°39'W - 80.38 (G.L.O.)



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED. (Brass Caps)

FORM 3160-3 ADDENDUM

Federal No. 17-6

Section 17, T11S-R23E

Uintah County, Utah

1. SURFACE FORMATION: Uintah

2. ESTIMATED FORMATION TOPS:

Green River	295'
Wasatch	3648'
Mesaverde	5434'
TD	6450'

3. DEPTH AT WHICH OIL, GAS, WATER, OR OTHER MINERAL BEARING ZONES WILL BE ENCOUNTERED:

Gas Zones: Wasatch
 Mesaverde

4. DIRECTIONAL DRILL PROGRAM:

N/A

5. CASING PROGRAM: As per Form 3160-3, Item #23

6. PRESSURE CONTROL EQUIPMENT:

See attached Well Control Plan and schematic of contractor's BOP stack. BOP's will be tested before drilling out from under the surface casing and function tested daily. See Exhibit 1 of Well Control Plan.

7. MUD PROGRAM:

Air or mist drilling will be used to drill the surface hole unless water is encountered. If water is encountered, chemical/gel mud will be used. The well will be air drilled from under surface casing to TD.

8. AUXILIARY EQUIPMENT

A. A kelly cock will be used.

B. A sub with full opening valve will be kept on the derrick floor to stab into the drill pipe when the kelly is not in use.

9. CORING, LOGGING AND TESTING PROGRAM:

- A. No coring is planned.
- B. The logging program will consist of a DIL log from TD to base of surface casing and GR-FDC-CNL logs from TD to bottom 300' of Green River.
- C. No DST's are planned.

10. ABNORMAL DRILLING CONDITIONS

- A. No abnormal pressures or temperatures are expected.
- B. No hazardous gases such as H₂S are expected.

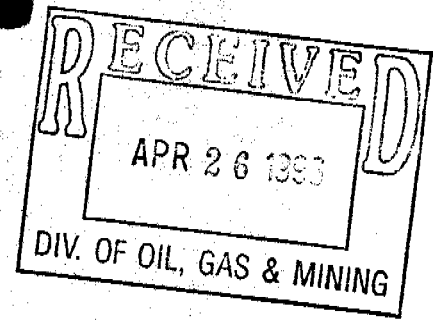
11. ANTICIPATED START DATES

Spud date	June 20, 1996
Completed drilling	June 28, 1996
Completed, ready for pipeline	July 15, 1996

12. Productive zones will be perforated, tested and treated as necessary. Gas will be flared during testing. Produced water will be contained in the unlined drilling reserve pit. the extent of treatment of a zone (acidizing and/or fracing) can only be determined after the zone has been tested. A completion program will be furnished after drilling.)

13. Lone Mountain Production Company's Statewide Bond is UT0719

FORM 3160-3 ADDENDUM
WELL CONTROL PLAN
Federal 17-6
Section 17 T11S-R23E
Uintah County, Utah



1. Surface casing: 8-5/8", 24#/ft, STC K-55 set @ 350' and cemented back to surface with 95 sacks class G + 3% salt, 16% gel, 0.2% retarder and 40 sacks Class G + 3% CaCl.
2. Casinghead Flange: 8-5/8" x 4-1/2" 600 series casinghead with two, 2", 2000 psi L.P. outlets.
3. Blowout Preventer: The drilling rig is equipped with a 10", 3000 psi W.P. double gate hydraulic BOP with drill pipe rams and blind rams to meet requirements for a 2000 psi stack as indicated in Onshore Order No. 2. All fill, kill, and choke lines will be a minimum of 2", 2000 psi WP. Pipe rams and hydril will be function tested daily and blind rams on each trip when out of the hole. BOP's will be tested to 2000 psi but not more than 70% of the casing burst pressure prior to drilling the shoe joint.
4. Auxiliary Equipment: (a) Drill pipe floats will be allowed at contractor's discretion. (b) Visual monitoring of returns and pit level alarms will be maintained. (c) Upper kelly cock will be used. (d) Stabbing valve will be kept on the rig floor.
5. Anticipated bottom hole pressure gradient is less than 0.433 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

LONE MOUNTAIN PRODUCTION COMPANY

By: 

W. B. Lloyd, Petroleum Engineer

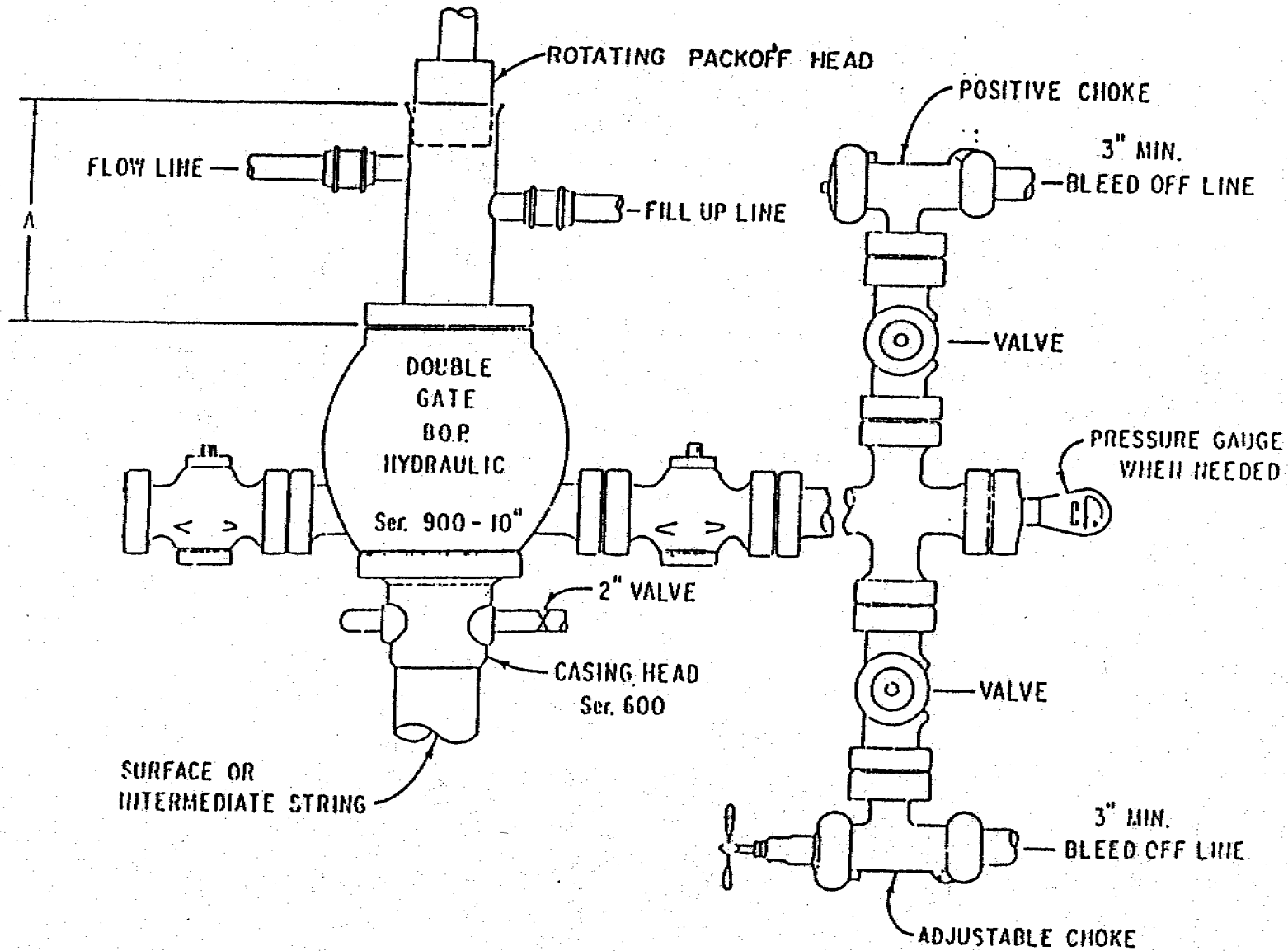


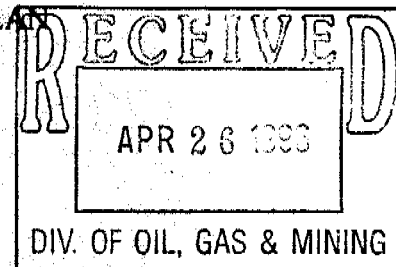
EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM

LONE MOUNTAIN PRODUCTION COMPANY
MULTIPOINT SURFACE USE AND OPERATION PLAN

DATE: April 13, 1996

WELL NAME: Federal No. 17-6

LOCATION: 2300' FNL, 1500' FEL Section 17, T11S-R23E,
Uintah County, Utah



FEDERAL OIL & GAS LEASE NO.: U-54200

1. EXISTING ROADS

- A. Maps A and B indicate existing and new roads to the proposed well. Existing roads in the area are county maintained.
- B. Route and distance from nearest town or locatable reference point to where proposed access route leaves existing road: Bonanza, Utah, proceed south 9.7 miles on Highway 45 (follow signs to Baxter Pass) to Highway 207 (to Watson). Turn right on 207 and proceed 8.8 miles past Watson and Evacuation Creek to a fork. Take the right fork (past Kings Well). Stay on main road for 13 miles. Take the right fork and proceed north for 0.2 miles to a fork and turn right onto new access road along pipeline ROW. Go 0.6 miles on new road to location.
- C. The existing roads are all-weather surfaces, county maintained, and do not require upgrading.

2. PLANNED ACCESS ROAD

From the existing road, the new access road will proceed east-north east, approximately 0.6 miles to the Federal No. 17-6 location. (See Map B)

- A. The proposed 0.6 miles of access road will be constructed with an 18 foot travel width. Total disturbance width will be 30 feet. The topsoil will be windrowed on the north side of the road.

3. LOCATION OF EXISTING WELLS

Map C is a one mile radius locating and identifying the following:

- A. Water wells - None
- B. Abandoned wells - Marble Mansion 1
Cracker Federal #2
Gov't No. 1-8

- C. Temporarily abandoned wells - None
- D. Disposal wells - None
- E. Drilling wells - None
- F. Producing wells - None
- G. Shut-in wells - None
- H. Injection wells - None
- I. Monitoring or observation wells for other reasons - None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. Map C is a one-mile radius locating the following existing facilities owned by the lessee/operator

- 1. Tank batteries - None
- 2. Production Facilities - None
- 3. Oil gathering lines - None
- 4. Gas gathering lines - 10" Rockhouse Gathering System
4" Cracker Federal #1 Lateral
- 5. Injection lines - None
- 6. Disposal lines - None

B. Proposed new production facilities, together with relative dimensions are shown in relation to the well pad in Exhibit 4. The production facilities will include a production pit, blowdown pit, dehydrator and metering facility. These facilities will be painted either a dark green or desert tan in accordance with BLM specified colors of the Book Cliffs area. The pit will be located in cut and will contain all water production and will be constructed in accordance with Onshore Oil & Gas Rule No. 7 specifications. All connection work will be done by an oil field service company using standard oil field materials. The water production pit will be fenced with four strand barbed wire to protect livestock and wildlife.

5. LOCATION AND TYPE OF WATER SUPPLY

A. Dependent upon availability, Lone Mountain will utilize one or more of the following for water supply to the Federal #17-6:

White River in Sec. 20, T10S-R23E, Uintah County, Utah
Bitter Creek in Sec. 26, T11S-R22E, Uintah County, Utah
Evacuation Creek in Sec. 7, T11S-R25E, Uintah County, Utah

All water will be hauled by a certified water hauler along county maintained roads to the location. No water well will be drilled. Temporary water use permits will be obtained from the State of Utah prior to drilling for the sources used.

6. SOURCES OF CONSTRUCTION MATERIALS

- A. Exhibit 3, "Cross Sections" indicates the cut and fill requirements for the location.
- B. All affected land is federal and under the management of the Bureau of Land Management.
- C. Materials other than that on location should not be required to construct the pad.
- D. The entire length of access road is on BLM administered land in Section 17, T11S-R23E.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be contained and disposed of in the reserve pit.
- B. Drilling fluids will be contained and disposed of in the reserve pit.
- C. Produced fracturing fluids will be directed to the reserve pit for evaporation.
- D. A portable chemical toilet will be on location during operations.
- E. Garbage and other trash will be placed in a trash bin and removed to a sanitary landfill upon completion.
- F. A flare pit will be fenced with 4 strand barbed wire and flagged to protect livestock and wildlife. The drilling reserve pit will be fenced on three sides during drilling and on the fourth side after the drilling rig moves off location.
- G. When the rig moves off location, all trash and refuse will be removed from the location and hauled to a sanitary landfill. All pits will be filled after drying and the area restored as under item ten of this plan.

8. ANCILLARY FACILITIES

No ancillary facilities (camps or airstrips) are planned. A 3" welded steel line will be laid west approximately 500' to be tied in to the 4" Cracker 1 lateral. A sundry notice will be submitted prior to commencement of this work.

9. WELL SITE LAYOUT ATTACHMENT AND PROPOSED RIG LAYOUT

- A. Exhibits 2 and 3 shows drill pad cross section, rig orientation, parking area, location of mud tank, reserve pit, trash bin, pipe racks and other facilities. The reserve pit will be unlined.

- B. It is proposed to remove existing grass and vegetation from the surface a radial distance of 75' from the reserve pit. This will act as a fire barrier in the event gas flaring while drilling is necessary.
- C. Topsoil will be stripped to a depth of 4" and stockpiled on the west side of the location. No topsoil stripping will be done when soils are moisture saturated to a depth of 3" or frozen below the stripping depth.

10. PLANS FOR RESTORATION OF SURFACE

- A. Upon completion of the well, the site will be cleared of all debris and the mouse and rat holes filled. The reserve pit will be dried and backfilled. Disturbed areas of the pad not needed for production facilities will be graded to an appearance consistent with the adjacent natural contours to the extent practicable. These areas will then be covered with topsoil or biodegradable mulch, disked and reseeded with a seed mixture recommended by the BLM. Seed tags will be submitted to the area manager within 30 days of seeding. The seedbed will be prepared by contour cultivating 4-6 inches deep and drilling seed 1/2 to 1 inch deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and covered 1/2 to 1 inch deep with a harrow or drag bar. Seeding will be completed after August 15/September 1 and prior to October 1 of the fall of 1996, if feasible, but not later than the fall of 1997.
- B. Prior to rig release, pits will be fenced and so maintained until cleanup can be properly done.
- C. If any oil is in the pit, it will be removed or overhead flagging will be installed.
- D. Rehabilitation will commence when drilling operations are completed. approximately July 15, 1996, and will be completed within approximately one year.
- E. If the well is a producer, Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accommodate year-round traffic. Lone Mountain will reshape areas unnecessary to operation, rip or disk on the contour, and seed all disturbed areas outside the work area according to the above seed mixture. The top soil will be saved for use during final reclamation unless the site can be recontoured to blend with the natural topography as required for the final abandonment. Perennial vegetation will be established. Additional work will be required in case of seeding failures.
- F. If the well is abandoned as a dry hole, Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, till material will be pushed into cuts and up over the backslope. No depressions will be left that could trap water or form ponds. Topsoil will be distributed evenly

over the location and seeding according the above seed mixture. The access road and location will be ripped or disked prior to seeding.

The area is considered to be satisfactorily reclaimed when:

- A. Soil erosion resulting from the operation has been stabilized.
- B. A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least as desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

- 12. Lone Mountain will contact the Vernal Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and/or well pad.

Lone Mountain will immediately bring to the attention of the Vernal Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the area manager. Notice to proceed will be based upon the evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the Area Manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the Area Manager determines that data recovery and/or salvage excavations are necessary. Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Vernal Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

11. OTHER INFORMATION

The drill site is located on an open bench. The soil in the area consists of a silty loam. Vegetation is comprised of pinion pine, juniper, sagebrush, herbs, and native grasses and covers approximately 70% of the ground. Animals include deer, elk, small mammals and birds. The affected land is federally owned and the primary surface uses are oil and gas production and ranching. There are no live streams in the immediate

area. An archeological report will be performed prior to commencement of operations and will be filed at the Vernal office of the BLM.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVES

Joel V. Dyk
1360 Highway 6 & 50
Loma, Colorado 81524
(303) 858-7546

William B. Lloyd
P. O. Box 3394
Billings, MT 59101
(406) 245-5077

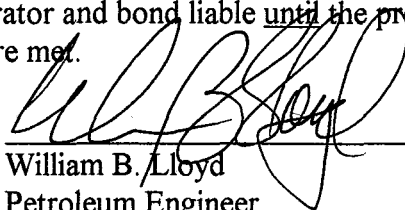
13. SELF CERTIFICATION STATEMENT

Be advised that Lone Mountain Production Company is considered to be the operator of the Federal #17-6, SENW Sec. 17, T.11S., R.23E., Lease U-54200, Uintah County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this lease is provided by Statewide Bond No. UT0719 via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

DATE: April 13, 1996



William B. Lloyd
Petroleum Engineer

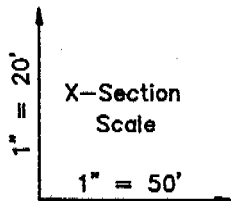
LONE MTN. PRODUCTION

TYPICAL CROSS SECTION FOR

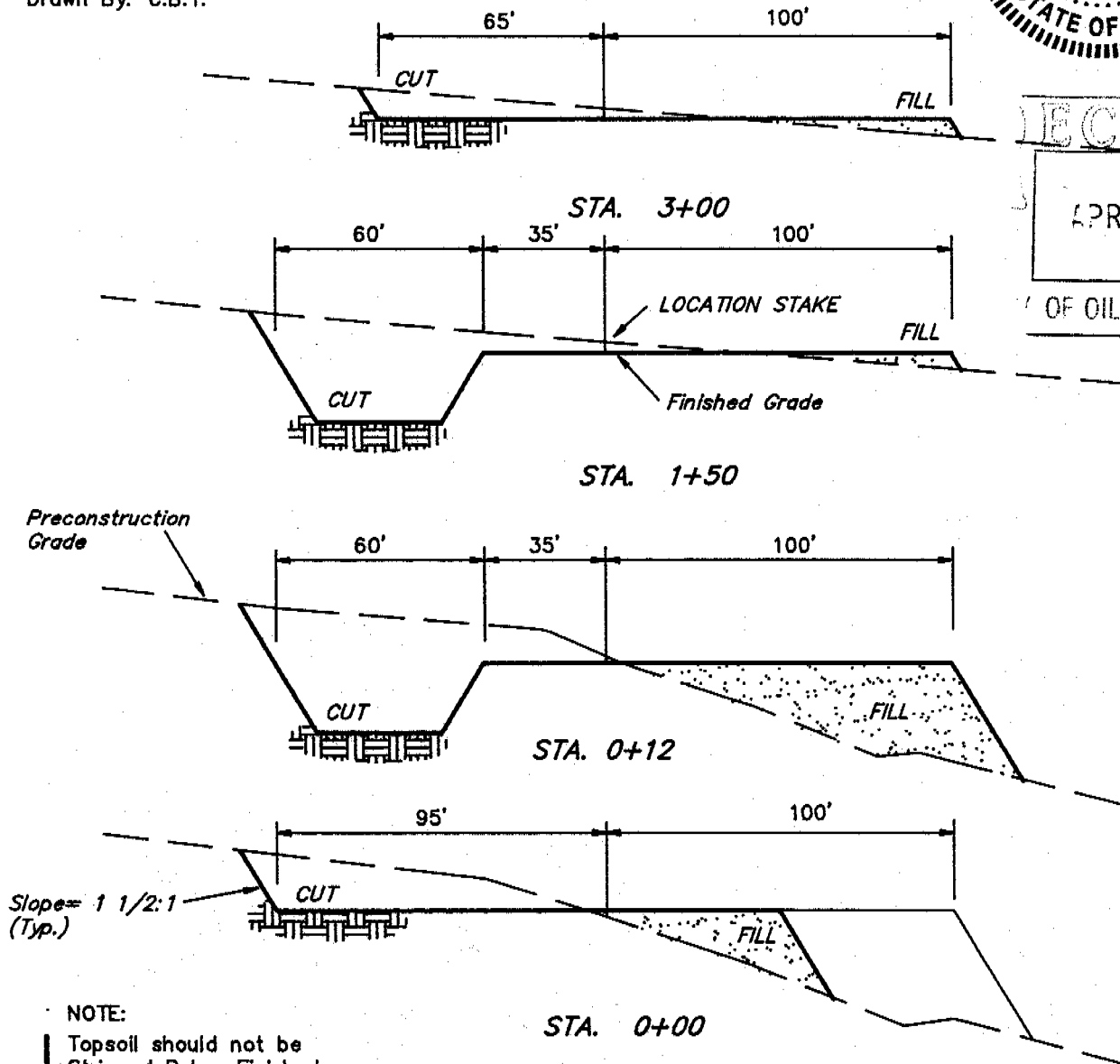
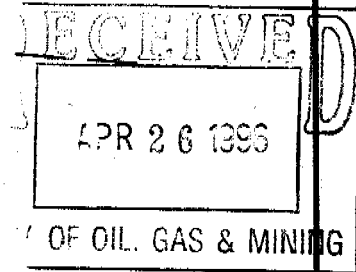
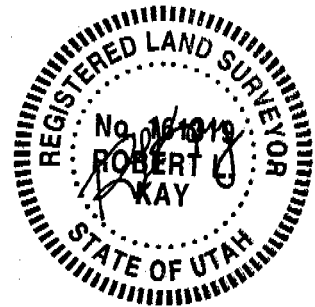
FEDERAL #17-8

SECTION 17, T11S, R23E, S.L.B.&M.

2300' FNL 1500' FWL



DATE: 4-4-96
Drawn By: C.B.T.



NOTE:

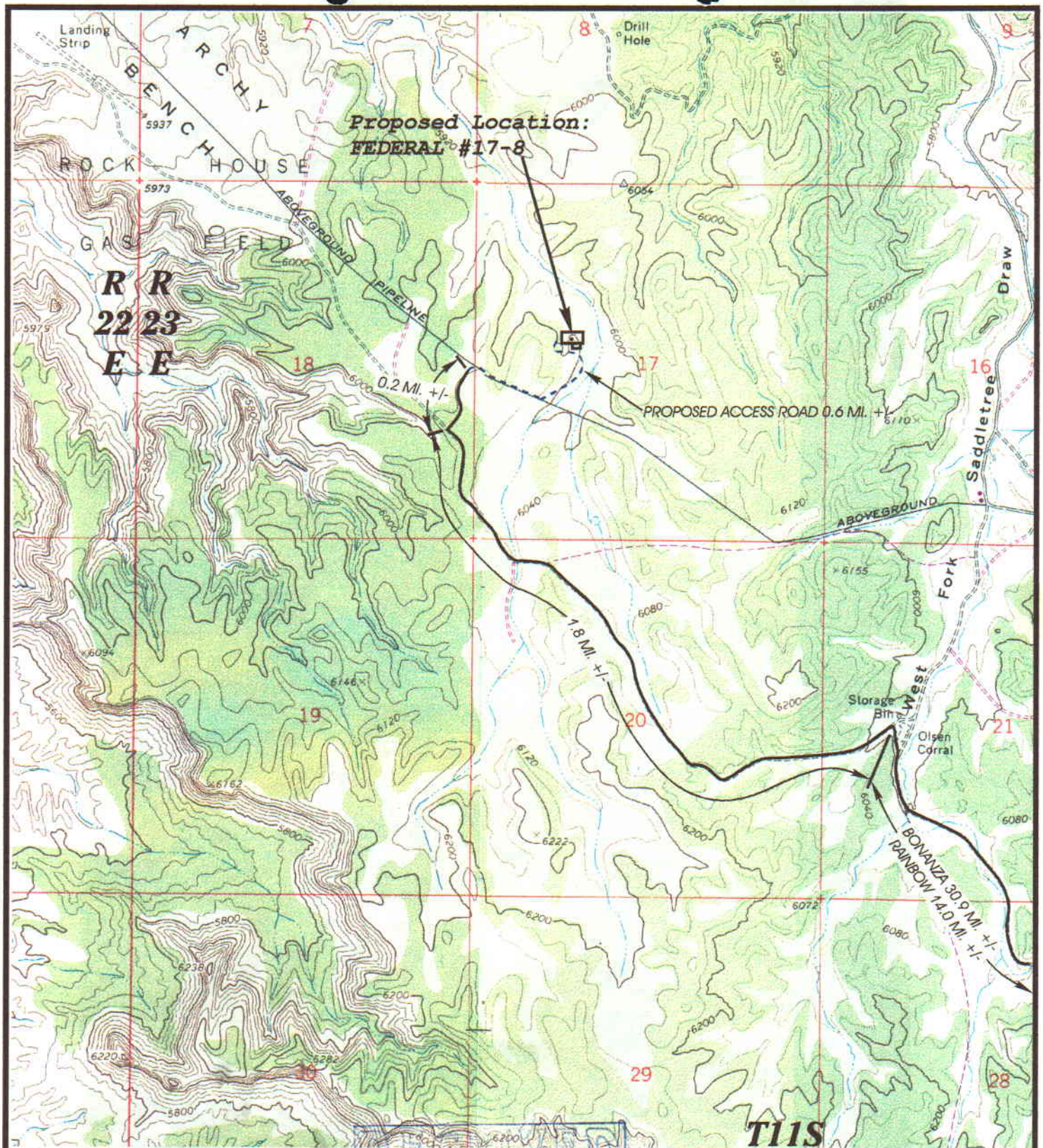
Topsil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,010 Cu. Yds.
Remaining Location	=	4,720 Cu. Yds.
TOTAL CUT	=	5,730 CU.YDS.
FILL	=	3,410 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	2,140 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,140 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 788-1017



UELS

**TOPOGRAPHIC
MAP "B"**

DATE: 4-4-96
Drawn by: D.COX

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



SCALE: 1" = 2000'

LONE MTN. PRODUCTION

FEDERAL #17-8
SECTION 17, T11S, R23E, S.L.B.&M.
2300' FNL 1500' FWL

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/26/96

API NO. ASSIGNED: 43-047-32752

WELL NAME: FEDERAL 17-6
OPERATOR: LONE MOUNTAIN PRODUCTION (N7210)

PROPOSED LOCATION:

SENW 17 - T11S - R23E
SURFACE: 2300-FNL-1500-FWL
BOTTOM: 2300-FNL-1500-FWL
UINTAH COUNTY
ROCK HOUSE FIELD (670)

LEASE TYPE: FED
LEASE NUMBER: U - 54200

PROPOSED PRODUCING FORMATION: MVRD

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☒ State ☐ Fee ☐
(Number UT 0719)
☒ Potash (Y/N)
☒ Oil shale (Y/N)
☒ Water permit
(Number WILL BE OBTAINED)
☒ RDCC Review (Y/N)
(Date: _____)

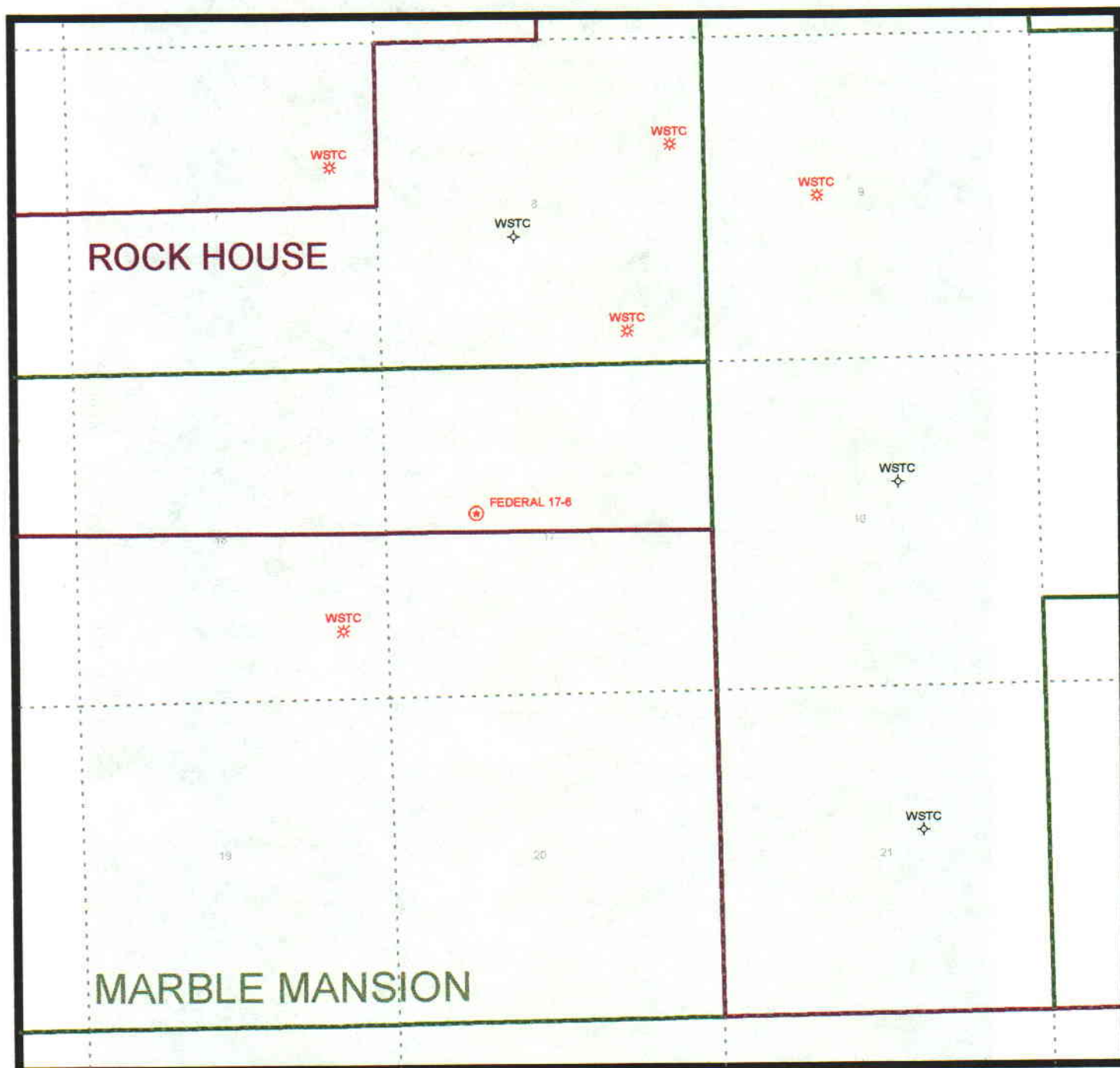
LOCATION AND SITING:

☒ R649-2-3. Unit: MARBLE MANSION II
☐ R649-3-2. General.
☐ R649-3-3. Exception.
☐ Drilling Unit.
Board Cause no: _____
Date: _____

COMMENTS: _____

STIPULATIONS: _____

LONE MOUNTAIN PROD.
MARBLE MANSION UNIT
SEC. 17, T11S, R23E
UINTAH COUNTY, UAC R649-2-3



PREPARED:
DATE: 1-MAY-96

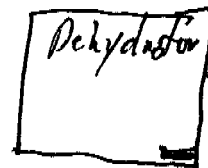
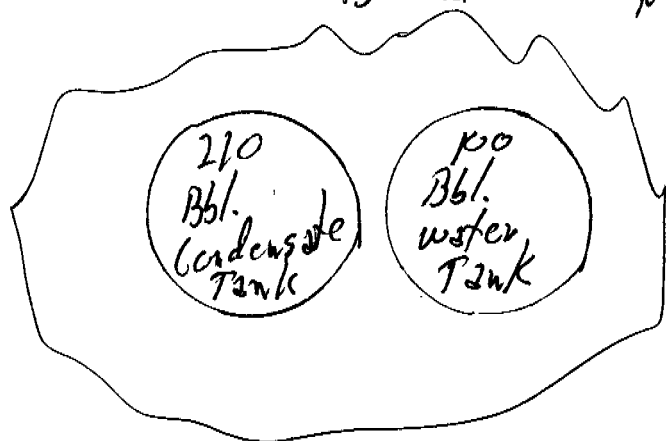
Rosewood

Fed. 17-6

43-047-32752

Ben m

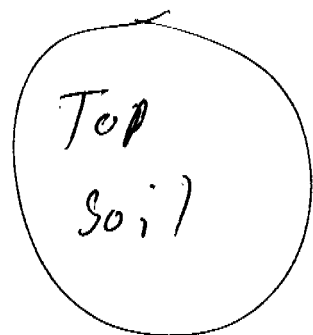
↑
North



Gas Recorder

Gas Sales
Line

Access



⊗
wellhead
+
Tree

Reserve Pit



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

July 22, 1996

Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103

Re: Federal 17-6 Well, 2300' FNL, 1500' FWL, SE NW, Sec. 17,
T. 11 S., R. 23 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32752.

Sincerely,

for R. J. Firth
R. J. Firth
Associate Director

lwp

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Lone Mountain Production Company
Well Name & Number: Federal 17-6
API Number: 43-047-32752
Lease: U-54200
Location: SE NW Sec. 17 T. 11 S. R. 23 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews at (801)538-5334 or Mike Hebertson at (801)538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Rosewood Resources Inc.

3. Address and Telephone No.

100 Crescent St. Ste 500 Dallas TX 75201

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1500 FWH 2300 FWH Sec. 17 T11S R23E

SE NW

FORM APPROVED

Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

U-54200

6. If Indian, Allotment or Tribe Name

7. If Unit or CA, Agreement Designation

Marble Mansion II

8. Well Name and No.

Federal 17-6

9. API Well No.

43-047-32752

10. Field and Pool, or Exploratory Area

Marble Mansion

11. County or Parish, State

Uintah, Utah

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- Other
- Change of Operator

- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please be advised that Rosewood Resources Inc. is considered to be the Operator of the Marble Mansion Well No. 17-6; SE 1/4 NW 1/4 Section 17 T11S R23E; lease No. U-54200; Uintah County, Utah; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided by Nationwide Oil & Gas Bond No. MT0627.

14. I hereby certify that the foregoing is true and correct

Signed

Title

Prod. Engr.

Date

8/2/96

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

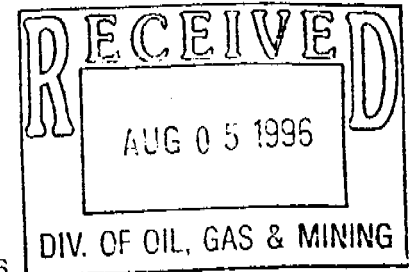


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

COPY



IN REPLY REFER TO
UT-930

August 1, 1996

Rosewood Resources, Inc.
100 Crescent Court, Suite 500
Dallas, Texas 75201

Re: Marble Mansion II Unit
Uintah County, Utah

Gentlemen:

On July 5, 1996, we received an indenture dated August 1, 1996, whereby Lone Mountain Production Company resigned as Unit Operator and Rosewood Resources, Inc. was designated as Successor Unit Operator for the Marble Mansion II Unit, Uintah County, Utah.

This indenture was executed by all required parties. The instrument is hereby approved effective August 1, 1996. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Marble Mansion II Unit.

Your nationwide (Montana) oil and gas bond No. 0627 will be used to cover all operations within the Marble Mansion II.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

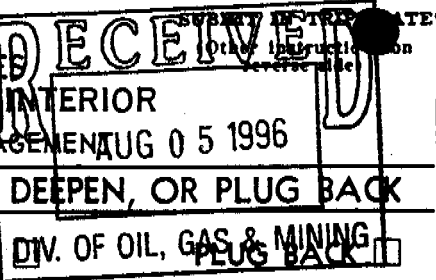
/s/ Robert A. Henricks

Robert A. Henricks
Mineral Resources Group Administrator

Enclosure

bcc: District Manager - Vernal (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group
File - Marble Mansion II Unit (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron/Fluid Chron

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER ☐

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P. O. Box 3394, Billings, MT 59103

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1500' FWL, 2300' FNL, Section 17-T11S-R23E

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 79 miles from Vernal, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

3780'

16. NO. OF ACRES IN LEASE

640.00

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

6450'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6005' GL, 6015' KB

22. APPROX. DATE WORK WILL START*

June 15, 1996

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	16"	40#	40'	50 sacks Redi-Mix
12 1/2"	8 5/8" K-SS	24#	300'	210 sacks Class 'G' + 3% CaCl
8 1/2"	5 1/2" K-SS	15.50#	6450'	300 sacks Class 'G' + 16% gel, 3% salt
				790 sacks Class 'G' + 3% KC1

Well will be drilled with clear water to 2500'. At that point, system will be mudded up with Gel/Polymer (PHPA) to a minimum of 10.0 ppg

NOTE: SURVEY PLAT INDICATES THIS WELL AS THE 17-8. CORRECT DESIGNATION IS 17-6.

* The changes were made, as per William B. Loyd,
in a telephone conversation with Ed Forshner
on 7/16/96. *Ed Forshner*

APR 26 1996

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Petroleum Engineer

DATE 4-23-96

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

Assistant Field Manager
Mineral Resources

DATE

JUL 23 1996

CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF AFFIDAVIT CONDITIONS OF APPROVAL ATTACHED

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Lone Mountain Production Company

Well Name & Number: Marble Mansion Unit II 17-6

API Number: 43-047-32752

Lease Number: U - 54200

Location: SENW Sec. 17 T.11S R. 23E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale zone, identified at 1,285 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to \pm 1,085 ft., and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

The APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (801) 789-7077
Petroleum Engineer

Wayne P. Bankert (801) 789-4170
Petroleum Engineer

Jerry Kenczka (801) 789-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

SURFACE USE PROGRAM
Conditions of Approval (COA's)

-Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

-All vehicle travel will be confined to existing access road rights-of-way.

-All disturbed areas that won't be needed for the production facilities will be reshaped and reseeded with fourwing salt brush (5 lbs. per acre), western wheatgrass (6 lbs. per acre), and Yellow sweetclover (1 lb. per acre).

-The reserve pit shall be constructed so as not to leak, break, or allow discharge. If porous soils are encountered, a plastic nylon reinforced liner will be used to line the pit. This liner would be at least 12 mils in thickness with sufficient bedding (either straw or dirt) to cover any rocks. If clay soils can be used to line the pit from onsite, a liner may not be needed. A BLM representative will inspect the pit after construction to determine if a liner will be necessary.

-A diversion ditch shall be constructed between the pit spoils and corner No. 7 to divert the drainages around the location to the west.

-The trees cleared from the location shall be piled between stakes 1 and 9. The topsoil should be piled between stakes 1 and 2.

-After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

-All pits will be fenced according to the following minimum standards:

a. 39-inch net wire shall be used with at least one strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).

b. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.

c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

d. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.

- e. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

-Your approved water supply location is the Evacuation Creek location at Watson. It should be noted, however, that the water flows in Evacuation Creek have been intermittent and may result in finding an alternative source. The Saddle Tree site is closed to vehicle travel and the Bittercreek source has also been dry.

-If the well becomes a producing well, all production equipment shall painted Juniper Green.

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:
P.O. Box 3394
Billings, MT 59103-3394

(406) 245-5077
FAX 248-6321

Shipping Address:
100 North 27th Street
Suite 650
Billings, MT 59101

August 7, 1996

Lisha Cordova
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

VIA FAX: 1-801-359-3940

RE: RESIGNATION OF OPERATOR
VARIOUS WELLS
UINTAH COUNTY, UTAH

Dear Lisha:

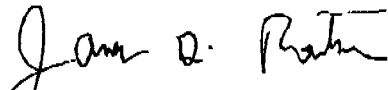
Pursuant to your telephone conversation with Carolyn George this afternoon, attached is a list of federal wells previously operated by Lone Mountain Production Company in the referenced county.

Lone Mountain has resigned as operator of the aforementioned wells and accepts the transfer of operations to Rosewood Resources, Inc., effective August 1, 1996.

Should you have any questions or need further information please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



James G. Routson
President

Attachment

UTAH FEDERAL WELLS*(Rosewood Resources, Inc. assumes operations effective August 1, 1996)***BLM VERNAL DISTRICT**

No.	WELL NAME	LEASE NO.	LOCATION in Uintah County
✓ 1)	Shuffleboard Fed. No. 1	U-31255	NE¼ NE¼ Sec. 27-T6S-R21E
2)	Stirrup Fed. No. 28-1	U-34711	NW¼ SW¼ Sec. 28-T6S-R21E
3)	Football Fed. No. 29-4	U-46699	SE¼ SW¼ Sec. 29-T6S-R21E
4)	Croquet Fed. No. 1	U-53862	SE¼ NE¼ Sec. 35-T6S-R21E
✓ 5)	Croquet Fed. No. 2	U-53862	NE¼ SE¼ Sec. 35-T6S-R21E
6)	Croquet Fed. No. 3	U-53862	NE¼ NW¼ Sec. 35-T6S-R21E
7)	Bridle Fed. No. 1	U-47866	SW¼ SW¼ Sec. 34-T6S-R22E
8)	Bridle Fed. No. 2	U-47866	NE¼ SE¼ Sec. 34-T6S-R22E
9)	Bridle Fed. No. 3	U-47866	SW¼ NW¼ Sec. 34-T6S-R22E
10)	Bridle Fed. No. 4	U-47866	SE¼ NE¼ Sec. 34-T6S-R22E
11)	Cracker Fed. No. 1	U-54197	SE¼ NE¼ Sec. 08-T11S-R23E
12)	Cracker Fed. No. 2	U-54197	SE¼ SE¼ Sec. 08-T11S-R23E
13)	Cracker Fed. No. 3	U-54193	SW¼ SE¼ Sec. 05-T11S-R23E
14)	Cracker Fed. No. 4	U-54196	SE¼ NE¼ Sec. 07-T11S-R23E
15)	Marble Mansion Unit #1	U-08424-A	SE¼ SE¼ Sec. 18-T11S-R23E
✓ 16)	Oil Springs Unit #5	U-08424-A	NE¼ SW¼ Sec. 05-T12S-R24E
✓ 17)	Oil Springs Unit #7	U-08424-A	SE¼ SW¼ Sec. 04-T12S-R24E
✓ 18)	Oil Springs Unit #10	U-08424-A	NE¼ NE¼ Sec. 05-T12S-R24E

✓ * Fed. 17-6

U-54200

SE¼ NW¼ Sec. 17, T. 11S, R. 23E

UTAH FEDERAL WELLS

VERNAL BLM DISTRICT

<u>Well</u>	<u>Lease No.</u>	<u>Location</u>
✓ Shuffleboard Federal No. 1	U-31255	NE¼NE¼ Section 27: T6S-R21E
Stirrup Federal No. 28-1	U-34711	NW¼SW¼ Section 28: T6S-R21E
Football Federal No. 29-4	U-46699	SE¼SW¼ Section 29: T6S-R21E
Croquet Federal No. 1	U-53862	SE¼NE¼ Section 35: T6S-R21E
✓ Croquet Federal No. 2	U-53862	NE¼SE¼ Section 35: T6S-R21E
Croquet Federal No. 3	U-53862	NE¼NW¼ Section 35: T6S-R21E
Bridle Federal No. 1	U-47866	SW¼SW¼ Section 34: T6S-R22E
Bridle Federal No. 2	U-47866	NE¼SE¼ Section 34: T6S-R22E
Bridle Federal No. 3	U-47866	SW¼NW¼ Section 34: T6S-R22E
Bridle Federal No. 4	U-47866	SE¼NE¼ Section 34: T6S-R22E
Cracker Federal No. 1	U-54197	SE¼NE¼ Section 8: T11S-R23E
Cracker Federal No. 2	U-54197	SE¼SE¼ Section 8: T11S-R23E
Cracker Federal No. 3	U-54193	SW¼SE¼ Section 5: T11S-R23E
Cracker Federal No. 4	U-54196	SE¼NE¼ Section 7: T11S-R23E
Marble Mansion Unit No. 1	U-54201	SE¼SE¼ Section 18: T11S-R23E
✓ Oil Springs Unit No. 5	U-08424-A	NE¼SW¼ Section 5: T12S-R24E
✓ Oil Springs Unit No. 7	U-08424-A	SE¼SW¼ Section 4: T12S-R24E
✓ Oil Springs Unit No. 10	U-08424-A	NE¼NE¼ Section 5: T12S-R24E
✓ * Frd. 17-L	U-54200	SE¼SW¼ Sec. 17 T. 11S, R. 23E

OPERATOR CHANGE WORKSHEET

Attach all documentation received by the division regarding this change.

Initial each listed item when completed. Write N/A if item is not applicable.

1-LEC	6-LEE
2-CLH	7-KDR
3-DTS/DTS	8-SJ
4-VLD	9-FILE
5-RJF	

- ☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed, effective: 8-1-96

TO: (new operator) ROSEWOOD RESOURCES INC
 (address) 100 CRESCENT COURT #500
DALLAS TX 75201

Phone: (214)871-5718Account no. N7510

FROM: (old operator) LONE MTN PRODUCTION CO
 (address) PO BOX 3394
BILLINGS MT 59103-3394

Phone: (406)245-5077Account no. N7210***OIL SPRINGS UNIT******CA UT080P49-86C696 & UT080P49-86C692*******MARBLE MANSION II UNIT**

WELL(S) attach additional page if needed:

Name: *OIL SPRINGS U 5/WSTC	API: <u>43-047-15930</u>	Entity: <u>6775</u>	S <u>5</u>	T <u>12S</u>	R <u>24E</u>	Lease: <u>U08424A</u>
Name: *OIL SPRINGS U 10/WSTC	API: <u>43-047-31656</u>	Entity: <u>6776</u>	S <u>5</u>	T <u>12S</u>	R <u>24E</u>	Lease: <u>"</u>
Name: *OIL SPRINGS U 7/WSTC	API: <u>43-047-31248</u>	Entity: <u>6795</u>	S <u>4</u>	T <u>12S</u>	R <u>24E</u>	Lease: <u>U16956</u>
Name: **CROQUET FED 2/UNTA	API: <u>43-047-31672</u>	Entity: <u>9636</u>	S <u>35</u>	T <u>6S</u>	R <u>21E</u>	Lease: <u>U53862</u>
Name: **SHUFFLEBOARD FED 1/UN	API: <u>43-047-31668</u>	Entity: <u>9842</u>	S <u>27</u>	T <u>6S</u>	R <u>21E</u>	Lease: <u>U31255</u>
Name: ***FEDERAL 17-6/DRL	API: <u>43-047-32752</u>	Entity: <u>99999</u>	S <u>17</u>	T <u>11S</u>	R <u>23E</u>	Lease: <u>U54200</u>
Name: _____	API: _____	Entity: _____	S _____	T _____	R _____	Lease: _____

OPERATOR CHANGE DOCUMENTATION

1. (r649-8-10) Sundry or other legal documentation has been received from the **FORMER** operator (attach to this form). *(Rec'd 8-7-96)*
2. (r649-8-10) Sundry or other legal documentation has been received from the **NEW** operator (Attach to this form). *(Rec'd 8-7-96)*
3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is the company registered with the state? *(yes/no)* ____ If yes, show company file number: # C0180808. *(EH. 3/94)*
4. **FOR INDIAN AND FEDERAL WELLS ONLY.** The BLM has been contacted regarding this change. Make note of BLM status in comments section of this form. BLM approval of Federal and Indian well operator changes should ordinarily take place prior to the division's approval, and before the completion of steps 5 through 9 below.
5. Changes have been entered in the Oil and Gas Information System (3270) for each well listed above. *(8-8-96)*
6. Cardex file has been updated for each well listed above. *(8-8-96)*
7. Well file labels have been updated for each well listed above. *(8-8-96)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to Trust Lands, Sovereign Lands, UGS, Tax Commission, etc. *(8-8-96)*
9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

- LC 1. (r649-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no If entity assignments were changed, attach copies of Form 6, Entity Action Form.
- N/A 2. Trust Lands, Sovereign Lands, Tax Commission, etc., have been notified through normal procedures of entity changes.

BOND VERIFICATION - (FEE WELLS ONLY)

- N/A 1. (r649-3-1) The NEW operator of any fee lease well listed above has furnished a proper bond.
- LC 2. A copy of this form has been placed in the new and former operator's bond files.
3. The FORMER operator has requested a release of liability from their bond (yes/no) , as of today's date . If yes, division response was made to this request by letter dated .

LEASE INTEREST OWNER NOTIFICATION OF RESPONSIBILITY

- N/A 1. Copies of documents have been sent on to at Trust Lands for changes involving State leases, in order to remind that agency of their responsibility to review for proper bonding.
- DS
8/12/96

FILMING

- LC 1. All attachments to this form have been microfilmed. Today's date: August 20, 1996
- refilmed NOV. 19 1997 by KS.

FILING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form, and the original attachments are now being filed in the Operator Change file.

COMMENTS

760807 btm/54 Apprv. E. & H. 8-1-96.

(other wells to be handled separate chg.)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR Rosewood Resources Inc
ADDRESS 100 Crescent Ct. Ste 500
Dallas Tx 75201

OPERATOR ACCT. NO. N 7510

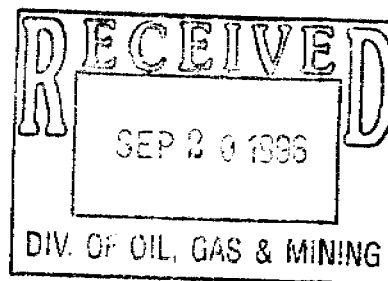
ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11998	047-32752	Marble Mansion Federal 17-6	SE NW	17	11 S	23 E	Utah	9/16/96	
WELL 1 COMMENTS: New well. Entity added 9-23-96. (Marble Mansion II Unit)											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)



James McFadden
Signature
Prod. Engr.
Title
9/17/96
Date
Phone No. (214) 871-5723



BJ Services Company

CEMENT JOB DETAIL SHEET

CUSTOMER Eastward		DATE 9-25-96	F.R.# 917001	SER. SUP. 1000d Logan	TYPE JOB 2 Stage								
LEASE & WELL NAME-OCSSG Marble Mountain		LOCATION S 17-T11S-R27E		COUNTY-PARISH-BLOCK Grant									
DISTRICT Urbal		DEVELOPING CONTRACTOR RIG# Roberts 908		OPERATOR Same									
MATERIAL FURNISHED BY WPS	TYPE OF PLUGS		LIST-CSG-HARDWARE	SO MANI FOLD	TOP OF EACH FLUID	PHYSICAL SLURRY PROPERTIES							
	TOP BTM			Y		SLURRY WGT PPG	SLURRY YLD FT	WATER GPS	PUMP TIME HR:MIN	BM SLURRY	BM MIX WATER		
	Stage		4 1/2 20 Centralizers Stage 1 Gyloc shoe 1700' Float Collar			14.85	1.52	7.1	3.38	88	55		
						11.0	3.92	23.68	12.0	209	169		
						14.85	1.46	6.82	3.00	65	41		
Available Mix Water 800 Bbl.		Available Displ. Fluid 800 Bbl.				TOTAL	362	265					
HOLE		TBG-CSG-D.P.			TBG-CSG-D.P.			COLLAR DEPTHS					
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	SIZE	WGT.	TYPE	DEPTH	SHOE	FLOAT	STAGE
7 7/8	25	6222	4 1/2	11.6	M70	6207					6207	6162	4389
LAST CASING		PKR-CMT RET-BR PL-LINER			PERF. DEPTH			TOP CONN		WELL FLUID			
SIZE	WGT.	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.	
8 5/8	24	J-55	331						4 1/2	8 RD	Mud	9.6	
CAL DISPL. VOL-Bbl.		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		DISPL. FLUID		WATER SOURCE		
TBG	CSG	CSG	TOTAL	BUMP PLUG	TO REV.	SO. PSI	RATED	OP.	RATED	OP.	TYPE	WGT.	
				1100			6200	4960	6200	4960	Mud	10.0	
	95.5	67.4	162.2	910							H ₂ O	8.3	
EXPLANATION: TROUBLE SETTING TOOL RUNNING CSG, ETC. PRIOR TO CEMENTING													
PRESSURE/RATE DETAIL						EXPLANATION							
TIME HR: MIN.	PRESSURE-PSI PIPE ANNULUS		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: WPS CREW <input type="checkbox"/> CO. REP <input type="checkbox"/>							
						TEST LINES 4000 PSI 2:03							
						CIRCULATING WELL-RIG <input type="checkbox"/> WPS <input type="checkbox"/>							
3:04	710		9.0	20	WAW-1	Start Mud Clean II							
3:07	400		6.5	10	H ₂ O	Start H ₂ O							
3:11	400		6.5	88	CMT	Start CMT @ 14.8"							
3:24	200		6.4			Shut down drop plug wash-up lines							
3:26	200		7.5	30	H ₂ O	Start displacement H ₂ O							
3:29	250		4.0	66	Mud	Start displacement Mud							
3:46	1600				Mud	Shut down Bump plug 500 over							
4:01	1500				Mud	Pump to open P.U. Tool Tool not open							
4:07	1000			20	Mud	Pump to open P.U. Tool Tool open 2nd Stage							
6:06	500		10.0	20	WAW-1	Start Mud Clean II							
6:08	400		9.8	10	H ₂ O	Start H ₂ O							
6:11	600		10.0	209	CMT	Start Lead @ 11.0"							
6:31	400		7.0	65	CMT	Start Tail @ 14.85							
6:41	200					Shut down drop plug							
6:44	200			67.4	H ₂ O	Start displacement							
6:52	2400					Bump plug 1500 ppr over close tool							
						Bleed off line tool held							
6:58						Shut in well							
BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	TOTAL Bbl. PUMPED	Bbl. CMT RETURNS/ REVERSED	PSI LEFT ON CSG	SPOT TOP CEMENT	SER. SUP. Todd Logan						
<input checked="" type="checkbox"/> N		<input checked="" type="checkbox"/> N	605.4	30		Surf	CUSTOMER REP. Danny Widner						

ROSEWOOD
RESOURCES

October 24, 1996

Faxed Today (801) 359-3940

Department of Natural Resources, Division
of Oil, Gas and Mining
P.O. Box 145801
1594 West North Temple
Suite #1210
Salt Lake City, Utah 84114-5801

ATTN: Mr. F.R. Matthews

RE: Marble Mansion 17-6
Section 17-11S-23E
Uintah County, Utah

43 047 32752

Dear Mr. Matthews,

Pursuant to our telephone messages of today, please keep all data on the subject well confidential.

Thank you and if you have any questions, just give me a call at 214-871-5723.

Sincerely,



James McQuillen
Production Engineer

ROSEWOOD RESOURCES, INC.

100 Crescent Court, Suite 500, Dallas, TX 75201

Fax No.: 214/871-5110

Phone No.: 214/871-5700

FAX COVER SHEET

NO. OF PAGES (including this Cover Sheet):

2

CONFIDENTIALITY NOTICE: The information contained in this facsimile transmission is confidential information which is intended only for the use of the recipient named below. If you receive this communication in error, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this communication is strictly prohibited. If you have received a misrouted facsimile transmission, please notify the sender immediately by telephone. Thank you.

TO:

F.R. Matthews

FAX NO.:

FIRM:

PHONE NO.:

DATE:

10-24-96

FROM:

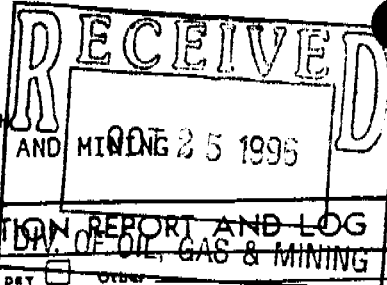
James M. Quillar

SUBJECT:

Marble Mansion 17.6 - Confidentiality

MESSAGE:

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO.

U54200

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

Marble Mansion II

8. FARM OR LEASE NAME

Federal

9. WELL NO.

17-6

10. FIELD AND POOL OR WILDCAT

Marble Mansion

11. SEC., T., R., OR BLOCK AND SURVEY OR AREA

Sec. 17 T11S R23E

12. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

1. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP EN ☐ PLUG BACK ☐ DIFF. REST. ☐ Other ☐

2. NAME OF OPERATOR

Rosewood Resources Inc.

3. ADDRESS OF OPERATOR

100 Crescent Ct. Ste 500 Dallas Tx 75201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface 1500 FNL 2300 FNL Sec. 17 T11S R23E (SE NW)

At top prod. interval reported below AS Above

At total depth AS Above

CONFIDENTIAL

14. API NO.

047-327521

DATE ISSUED

7/22/96

12. COUNTY

Uintah

13. STATE

Utah

15. DATE SPUNDED

9/3/96

16. DATE T.D. REACHED

9/24/96

17. DATE COMPL. (Ready to prod.)

10/17/96 (ring & 1/4")

18. ELEVATIONS (OF. SER., RT. CR., ETC.)

KB6015* GL 6005

19. ELEV. CASINGHEAD

6005

20. TOTAL DEPTH, MD & TVD

6222

21. PLUG BACK T.D., MD & TVD

5086

22. IF MULTIPLE COMPL. HOW MANY

None

23. INTERVALS DRILLED BY

10-6222

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)

4235-49 Wasatch 25-96

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

Array Induction/Gamma Ray/Litho Density

27. WAS WELL CORED YES ☐ NO ☒ (Submit analysis)DRILL STEM TEST YES ☐ NO ☒ (See separate card)

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	MOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24	340 KB	12 1/4	2655x 01s'6" w/2% CaCl	NONE
4 1/2	11.6	6207 KB	7 7/8	3255x 01s'6" w/10% Gyp 10% salt	None
		DVTec 104334	7 7/8	3005x 01s'6" w/3% salt 16% Gyp	
				2505x 01s'6" w/3% salt 10% Gyp	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2 3/8	4139 KB	4145 KB

31. PERFORATION RECORD (Interval, size and number)

5906-19, .4 dia, 52 holes. OIBP 5850 w/20' ent
 5570-77, .4 dia, 28 holes. OIBP 5520 y 42' ent
 5146-59, .4 dia, 52 holes. OIBP 5100 y 14' ent
 4235-49, .4 dia, 56 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5906-19	1000 gal 7 1/2% NE Acid

33. PRODUCTION

DATE FIRST PRODUCTION 10/18/96		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flow				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 10/22/96	HOURS TESTED 24	CHOKER SIZE 1 5/8	PROD'N. FOR TEST PERIOD →	OIL—BBL. 2.09	GAS—MCF. 995	WATER—BBL. 0.8	GAS-OIL RATIO
FLOW, TUBING PRESS. 780 psig	CASING PRESSURE 0. PKr	CALCULATED 24-HOUR RATE →	OIL—BBL. 2.09	GAS—MCF. 995	WATER—BBL. 0.8	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

Electric and porosity log, Cement report on 4 1/2 casing

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

James M. Smith

TITLE

Production Eng

DATE

10/23/96

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or interval(s), top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

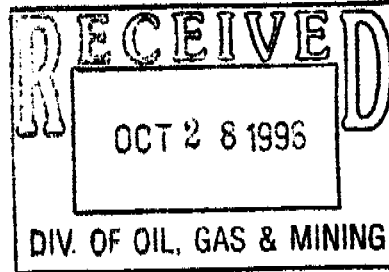
37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.				38. GEOLOGIC MARKERS		
Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	Top True Vert. Depth
Mesa Verde	Pf. 5906	5919	Show gas ahead of swab, Trace oil, formation water @ 2 bbls water per hour. Shut in fluid level 1400 ft from surface.	Green River	Surface	
Mesa Verde	Pf. 5570	5577	Swab 10 bbls water per hour. No show of oil or gas. Shut in fluid level 400 ft from surface.	Wasatch	3598	
Wasatch	Pf. 5146	5159	Swab 1 bbl water per hour w/ show of gas ahead of swab. only. Shut in fluid level 2600 ft from surface.	Mesa Verde	5475	

ROSEWOOD
RESOURCES

October 24, 1996

Faxed Today (801) 359-3940

Department of Natural Resources, Division
of Oil, Gas and Mining
P.O. Box 145801
1594 West North Temple
Suite #1210
Salt Lake City, Utah 84114-5801



ATTN: Mr. F.R. Matthews

RE: Marble Mansion 17-6
Section 17-11S-23E
Uintah County, Utah

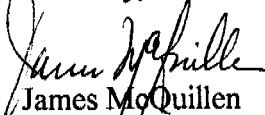
43-047-32752

Dear Mr. Matthews,

Pursuant to our telephone messages of today, please keep all data on the subject well confidential.

Thank you and if you have any questions, just give me a call at 214-871-5723.

Sincerely,


James McQuillen
Production Engineer

CONFIDENTIAL

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1500' FWL 2300' FNL, SENW Section17, T11S, R23E

5. Lease Designation and Serial No.

UTU-73813A

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA, Agreement Designation

Marble Mansion II Unit

8. Well Name and No.

FEDERAL #17-6

9. API Well No.

43-047-32752

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

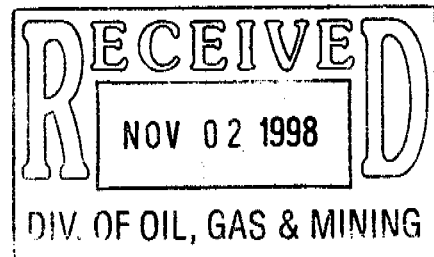
TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☒ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Produced water will be tanked on location and then trucked to the state approved TU & FRUM Disposal Facility located in Section 12, T5S, R19E, Uintah County. Produced water will be reported on the Monthly MMS-3160 form.



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

Lucy Neman

Title Administrative Assistant

Date 10/29/98

(This space for Federal or State Approval)

Approved by

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Title _____

Date _____

Conditions of approval, if any

*Federal Approval of this
Action is Necessary*

FOR RECORD ONLY

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instructions on Reverse Side**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-73813A

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
MARBLE MANSION 11

8. Well Name and No.
ROSEWOOD FEDERAL 17-6

9. API Well No.
43-047-32752

10. Field and Pool, or Exploratory Area

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SENW SEC 17 T11S R23E

12. INDICATE NATURE OF

G

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other TA STATUS

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Rosewood Resources respectfully requests an extension of the TA status of the above mentioned well due to rig availability.

Thank You,
Jill Henrie
435-789-0414 x10

**THIS SUNDRY IS BEING RETURNED; INSUFFICIENT DATA WAS
SUBMITTED TO APPROVE THE REQUESTED ACTION (see R649-3-36).**

Federal Land Policy This Action is Necessary

[Signature] June 14, 2005
Utah Division of Oil, Gas and Mining

COPIES: ORIG. & 2-BLM; DIV. OG&M;

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title Administrative Assistant

Date 06/07/05

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

RECEIVED

JUN 9 2005

COPY SENT TO OPERATOR
Date: 6-15-05
Initials: CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
UTU-73813A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Rosewood Resources, Inc.

3a. Address
P.O. Box 1688 Vernal UT 84078

3b. Phone No. (include area code)
435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SE1/4 SEC 17 T11S R23E SLB&M

7. If Unit of CA/Agreement, Name and/or No.
Marble Mansion Unit

8. Well Name 1 No.
Federal 1 #17-6

9. API Well No.
43-147-32752

10. Field and Pool or Exploratory Area

11. Country or Parish, State
Uintah County, UT

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Please see attached rig reports for P&A of above mentioned well. Rosewood was not able to re-seed this location before snow fall. We will re-seed in the Spring or Fall of '09 per BLM's preference.

Thank You,

Jill Henrie
Rosewood Resources, Inc.

RECEIVED

DEC 24 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Jill Henrie

Title Administrative Assistant

Signature

Date 12/22/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

ROSEWOOD RESOURCES, INC.

Daily Chronological Report

WELL NAME: Marble Mansion #17-6

API # 43-047-32752

SENW SEC 17 T11S R23E

Lease Number #UTU-54200

County : Uintah

Engineer : J Watkins / K Carrigan

AFE Gross Estimate : \$51,150

12/18/2008

Safety meeting – Rigging up. MIRU P&A ND wellhead NU BOP Tubing in well. Picked up 26 joints tubing and tagged CIBP. TOH tubing and tallied. Tag @5030.8 with 80 stands tubing.

12/19/2008

Safety meeting – tripping tubing with ice and cold. TIH tubing to 5030'. Stoney Anderton, BLM witnessed and OK'd. Pulled up 1 joint tubing and laid down. Mix and pump 5 sacks cement @4998'. TOH to 4401'. Mix and pump 40 sacks cement. TOH WOC. Loaded 118 jts 2 3/8 workstring and hauled to the Rockhouse#5 Water Impoundment yard and unloaded onto rack. Took truck and backhoe back to location.

12/20/2008

Safety meeting – Stay warm. TIH tubing to tag. Tagged @4165'. Stoney Anderton, BLM witnessed. Low tag. Pressured up to check casing. Held steady @500psi. Pumped 25 sacks cement to bring tag up to right depth. OK by Ryan Angus, BLM. Witnessed by Stoney Anderton, BLM. TOH tubing to 3649' and pumped 23 sack balanced plug. TOH to 1101' and pumped 12 sack balanced plug. TOH to 408' and pumped 50 sacks cement to surface. TOH tubing. RDMO Dug up wellhead and cut off. Topped off with 30 sacks to surface.

12/21/2008

Safety meeting – Equipment move. Pumped 5 sacks cement to top off well. Stoney Anderton, BLM witnessed. Welded on cap and information marker. Backfilled wellbore.

FINAL REPORT

RECEIVED

DEC 24 2008

DIV. OF OIL, GAS & MINING